CONNECTING THE WORKFORCE INVESTMENT SYSTEM TO SMALL AND EMERGING BUSINESSES

Prepared for the U.S. Department of Labor, Employment & Training Administration, by Research Institute for Small & Emerging Business (RISEbusiness)

April 2004

This study is designed for business and workforce leaders interested in learning more about opportunities for the public workforce system and small and emerging businesses to work together. The project team has identified the following as some of the study's highlights, key points, take-aways, and "how to's":

Business Leaders

- How small and emerging businesses represent a powerful force in the U.S. economy, and how this critical sector demands the public workforce system's attention, tailored strategies, and resource allocation. Pages 11–20.
- How the public workforce system can help small and emerging businesses **identify**, **hire**, **and retain qualified workers** through consultation and expert advice. Pages 21–24.
- How small and emerging businesses face barriers (not necessarily faced by public companies) in accessing the public workforce system. Pages 25–27.
- How to understand the **unique culture and needs** of small and emerging businesses (such as their lack of HR staff and how that impacts screening, hiring, retaining, and training). Pages 27–30.
- How recent Department of Labor reforms, policies, and priorities have created **broader access and better services** for small and emerging businesses, as well as the impetus for **outreach** to small and emerging businesses rather than to wait for them to approach the public workforce system. Pages 30–31.
- How a local community (Concho Valley, TX) went out of its traditional core service mix to deliver value to small and emerging businesses and to win their confidence. Page 32.

Workforce Leaders

How a state (Oklahoma) used the flexibility inherent in the Workforce
 Investment Act creatively and innovatively to align its training investments
 and efforts to help companies enhance productivity and reduce costs,
 thereby preventing jobs from moving to Mexico. Page 32.

- How a local workforce board (Clarksville, TN) is offering a wide array of non-traditional services (such as regulatory compliance, supervisory training, and driving training services for a fee) that address small-business needs. Pages 34–35.
- How a local workforce board (Jacksonville, FL) is **linking entrepreneurs** and **fledgling businesses to incubators** in order to position the workforce system to address these companies' hiring needs. Pages 37–45.
- How state (New York) policymakers can create a climate for supporting small-business needs by exhibiting strong leadership, developing creative approaches and solutions, making continuous investments of discretionary resources, giving priority to small and emerging businesses, and exchanging information with state economic development partners. Pages 46–53.
- How a local workforce board (Sunnyvale, CA) created a structured, tailored outreach and service strategy for listening to small and emerging businesses in order to address their particular needs and for investing in staff capacity-building to support effective small and emerging business engagement and service delivery. Pages 54–62.
- How a local workforce board (San Diego) understands its regional labor market and the role that small and emerging businesses play in it, and then collects and packages labor market information and data to provide valuable information for small and emerging businesses in rapidlychanging, high-growth industries. Pages 71–77.
- How a local workforce board (Bridgeport, CT) is assisting industry groups to form around common issues of concern and to grow over time. Pages 78–84.